

### What is the Washington State Long-Term Care Trust Act?

Effective January 1, 2022, a 0.58% tax on each \$100 earned will be imposed on residents of Washington State to provide a public long-term care benefit. The benefit will be up to \$100/day reimbursement for home care, assisted living or nursing home care. WA residents become eligible to use the benefit at the time they need help with 3 of 6 activities of daily living. The total benefit pool will be \$36,500.

The benefit is vested by individuals who work a minimum of 500-hours/year *and* who pay premiums for at least 10 years (without a break of 5 consecutive years) or for 3 within the last 6 years (from the date of application for benefits). First benefits by the trust will be paid January 1, 2025. A resident who demonstrates that they have private long term care insurance in place by 11/1/21 can opt out of the payroll tax. The opt-out is permanent.

### What are the steps for opting out of the Washington State Long-Term Care Trust Act payroll tax?

- Secure private coverage through Trustmark. Private long-term care insurance must be effective by 11/1/2021.
- Submit evidence of private coverage via the WA Trust Act website and complete the application for exemption. The reporting period to apply to the state of WA for exemption from the tax is October 1, 2021 – December 31, 2022.
- Once approved for exemption, submit approval letter to the Human Resources (Benefits Office). Payroll tax deductions for those who do not opt out begin 1/1/2022.
- For more information about the WA Trust Act, visit <http://www.wacaresfund.wa.gov/learn-more>

### What is Long-Term Care?

Long-term care is a range of services and support you may need to meet your personal care needs. Most long-term care is not medical care, but rather assistance with the basic personal tasks of everyday life, sometimes called Activities of Daily Living (ADLs), such as bathing, dressing, using the toilet, transferring (to or from bed or chair), caring for incontinence, and eating.

### What is Universal Life and Long-Term Care Insurance?

Trustmark's Universal Life insurance combines the benefits of life insurance with living benefits which can be utilized for long-term care, home healthcare, adult day care or assisted living.

### In what settings do Life and Long-Term Care policies provide benefits?

The Universal Life and Long-Term Care Insurance policy pay benefits for care in many settings, including:

- *Home:* Where most people prefer to receive care
- *Assisted Living Facility:* Offer social activities, companionship, and limited custodial care in a home-like setting.
- *Skilled Nursing Facilities:* Provide 24-hour nursing services under the supervision of a registered nurse, with skilled, intermediate, and custodial care.

### What carriers are offering coverage qualified for the opt-out of the new payroll tax?

- *Trustmark Universal Life Events*
- *Trustmark Universal Life*

**Special Enrollment Dates for  
City of Tacoma Employees:  
September 22, 2021 – October 13, 2021**

### Who is eligible to apply for the Universal Life and Long-Term Care Insurance?

Employees and their spouse/domestic partners.

**NOTE: This City of Tacoma coordinated program with Trustmark will NOT be available to the following individuals:**

- Temporary employees and part-time employees scheduled to work less than 20 hours/week.
- Employees represented by Local 31, Local 6, or Local 26, as they already have an offering available through Trustmark through their union affiliations.
- Employees of the Tacoma Public Library as they have a long-term care benefit offering available through UNUM and can contact their Human Resources Department with questions.

### Will medical underwriting be required to obtain this coverage?

- Guaranteed issue (no medical questions) is available up to 150,000 for employees between the ages of 18-64. This is a ONE-TIME offer and will not be offered to employees again.
- Eligible employees, ages 65-70, can apply for permanent life coverage with a LTC benefit by answering a few medical questions. Eligible employees, ages 71-75 can apply for permanent life coverage but it does not include the LTC benefit.
- Spouses/domestic partners, ages 18-70 are eligible to apply for permanent life coverage with a LTC benefit by answering a few medical questions. The employee is not required to apply for the spouse/domestic partner to apply for coverage.

### Is there a minimum amount of coverage required in the State of WA to opt out of the tax?

Trustmark requires a minimum coverage amount of \$78,000 in the State of Washington.

### Does my medical plan or other health insurance cover long-term care?

No—traditional health insurance pays for skilled, medically needed care. It does not pay for long-term care.

### What can I expect from Medicare and Medicaid?

Medicare is your health insurance when you reach age 65. Like your health insurance, it does not cover custodial care. Medicaid will help pay for long term care, but you must spend down your assets in order to qualify.

### What might my annualized tax burden be based upon my salary?

Salary	Annualized Tax
\$50,000	\$290
\$75,000	\$435
\$100,000	\$580
\$150,000	\$870

It is important to remember that although private Long-Term Care insurance of some kind may cost more than your annualized tax burden, a private plan is a contract for set benefits between you and the insurance company, not a promise from the state of Washington. Your tax will only increase as your salary increases over time. Additionally, should you leave the state of Washington, you can take your private plan with you as it is fully portable. You must be a resident of Washington to receive benefits from the Trust.

### Important Dates:

- **September 22, 2021 – October 13, 2021** – One-time open enrollment for guaranteed issue
- **October 31, 2021** – coverage must be effective by this date. Coverage is effective the date you submit your completed and signed application to Trustmark.
- **Between October 1, 2021 and December 31, 2022** – Apply for an Employment Security Department (ESD) exemption certificate with Washington state. This can be done on the [WA Cares website](#)
- **January 1, 2022** – Premiums (tax) begin for all Washington state employees
- **January 1, 2025** – WA Cares LTC benefits become available to qualified individuals